

THE COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

FILE:

B-201740

DATE: February 9, 1981

MATTER OF:

Mid America Movers, Inc. CNG 0057/

DIGEST:

Protest questioning low bidder's responsibility in light of bidder's filing under Chapter XI of Bankruptcy Act and prior convictions for fraud of some of its officers is dismissed because GAO does not review affirmative determinations of responsibility except under circumstances not applicable here.

DIGGOONS

Mid America Movers, Inc. protests the proposed award of a contract by the Department of the Army under invitation for bids (IFB) DAKF 19-81-B-0006 to the apparent low bidder, Coleman American. Mid America contends that because Coleman has filed for bankruptcy under Chapter XI of the Bankruptcy Act, Il U.S.C. § 1101 et seq. (Supp. III 1979), it is financially nonresponsible and should not receive this contract. Mid America further contends that officers of the low bidder had previously entered guilty pleas to charges of fraud against the Government.

Our Office will not review protests of affirmative determinations of responsibility unless fraud is alleged on the part of procuring officials or the solicitation contains definitive responsibility criteria which allegedly have not been applied. Federal Data Corporation, B-196643, November 14, 1979, 79-2 CPD 353. Meither exception is applicable here and consequently we will not consider this protest.

We point out, however, that the mere fact that a contractor files a petition in bankruptcy under Chapter

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XI of the Bankruptcy Act does not require a finding of non-responsibility. Hunter Outdoor Products, Incorporated, 54 Comp. Gen. 276 (1974), 74-2 CPD 207, and cases cited therein. Neither does a prior conviction for fraud. 2-169070, April 24, 1970. See also B-166118, March 28, 1965.

The protest is dismissed.

Milton J. Socolar General Counsel